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Canada House Wellness Group Reports First Quarter Fiscal Year 2020 Results Amended Sales License Received

Toronto – September 30, 2019 (CNW) - Canada House Wellness Group (CSE: CHV) ("Canada House" or the "Company") is pleased to report its financial results for the three months ending July 31, 2019. All amounts are stated in thousands of Canadian dollars.

Financial Highlights:

- Cash position was \$1,535 as at July 31, 2019 compared to \$3,427 as at April 30, 2019.
- Revenue for the three months ending July 31, 2019 was \$1,290, an increase of \$59 or 5% compared to \$1,231 for the same period in the prior year
- Loss and Comprehensive loss for the three months ending July 31, 2019 was (\$1,722) for the three months ending July 31, 2019 compared to (\$2,028) for the same period in the prior year
- EBITDAS⁽¹⁾ for the three months ending July 31, 2019 was a deficit of (\$1,626) during the three months ending July 31, 2019 compared to (\$1,071) for the same period in the prior year
- (1) "EBITDAS" is comprised of Loss and Comprehensive Loss for the Year plus Depreciation and amortization plus Interest, Taxes, Impairment and Stock Based Compensation. EBITDAS is considered by the Company to be a useful measure of cash-flow from operations.

"We are very pleased to have now received our amended license to sell our own, Abba branded dried cannabis products to patients, consumers and authorized provincial retailers." says Chris Churchill-Smith, CEO. "This is a significant milestone and allows us to aggressively pursue revenue growth and profitability. Subsequent to the end of the quarter we closed a financing for \$2.6 million, allowing us to invest in new sales and marketing initiatives related to our now fully licensed production facility."

Business Highlights:

- CHC announced it will open its first clinics in Toronto and Halifax, relocate its Petawawa clinic to a larger space and launch a new clinic model in Edmonton, increasing to 14 clinics across Canada.
- Appointed Michael Orrbrooke to the role of President of the Company's wholly owned Licensed Producer, Abba Medix Corp. Mr. Orrbrooke will continue in his role as the Company's Chief Revenue Officer
- Entered into an Agreement with Weedbox Inc. for the completion and operation of its
 previously announced licensed Cannabis Dispensary in Edmonton, Alberta, including site
 plans and construction of the Dispensary under the Weedbox lifestyle brand, Somewhere
 Variety[®].
- Subsequent to the end of the quarter, completed a new financing for gross proceeds of \$2,588.

About Canada House Wellness Group

Canada House Wellness Group is the parent company of Abba Medix Corp., a Licensed Producer in Pickering, Ontario that produces high quality medical grade cannabis; Canada House Clinics, with clinics across the country that work directly with primary care teams to provide specialized cannabinoid therapy services to patients suffering from simple to complex medical conditions; and Knalysis Technologies, a provider of fully customizable, cloud-based software that links physician, provider, and patient to data that supports treatment with medical cannabis.

Canada House Wellness Group's goal is to become the leading cultivator of premium craft cannabis and provider of cannabinoid therapy, targeting the medical cannabis markets globally.

For more information please visit www.canadahouse.ca.

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Cautionary Statement Regarding Forward-Looking Information. This press release contains forward-looking statements, including statements that relate to, among other things, the Company's clinic, production and technology businesses, its future plans, the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions

of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forwardlooking statements, and actual results may differ materially from those expressed or implied in such statements. Material assumptions used to develop forward-looking information in this news release include. among other things, the regulations related to cannabis use under the Access to Cannabis for Medical Purposes Regulations and the act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, passed by the Canadian Federal government, making cannabis legal for recreational use by October 17, 2018; Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forwardlooking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties" as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.

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